



DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-580-816]

Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea; Final Results of Antidumping Duty Administrative Review; 2010 to 2011

AGENCY: Import Administration, International Trade Administration, U.S. Department of Commerce

SUMMARY: On September 6, 2012, the Department of Commerce (the Department) published the preliminary results of the administrative review of the antidumping duty order on corrosion-resistant carbon steel flat products (CORE) from the Republic of Korea (Korea).<sup>1</sup> This review covers seven manufacturers and/or exporters (collectively, the respondents) of the subject merchandise: Dongbu Steel Co., Ltd. (Dongbu), Dongkuk Industries Co., Ltd. (Dongkuk), Haewon MSC Co. Ltd. (Haewon), Hyundai HYSCO (HYSCO), LG Chem., Ltd. (LG Chem), LG Hausys, Ltd. (Hausys), and Union Steel Manufacturing Co., Ltd. (Union). The period of review (POR) is August 1, 2010, through July 31, 2011. Based on our analysis of the comments received, we have made certain changes in the margin calculation for Dongbu and HYSCO. The final results, consequently, differ from the *Preliminary Results*. The final weighted-average dumping margins for the reviewed firms are listed below in the section entitled “Final Results of Review.”

EFFECTIVE DATE: [Insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Cindy Robinsons or Christopher Hargett, at (202) 482-3797 or (202) 482-4161, respectively; AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

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<sup>1</sup> See *Certain Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Preliminary Results of the 18th Antidumping Duty Administrative Review, and Partial Rescission*, 77 FR 54891 (September 6, 2012) (*Preliminary Results*).

## SUPPLEMENTARY INFORMATION:

### Background

On September 6, 2012, the Department published the *Preliminary Results*. In the *Preliminary Results*, the Department did not address the targeted dumping allegation submitted by the petitioner, United States Steel Corporation (U.S. Steel), on May 8, 2012, and May 24, 2012.<sup>2</sup> We invited interested parties to comment on the *Preliminary Results*.<sup>3</sup> On October 26, 2012, Dongbu, Hausys, Union, and U.S. Steel submitted case briefs on the Department's *Preliminary Results*.<sup>4</sup> On November 6, 2012, Dongbu, HYSCO and U.S. Steel submitted rebuttal briefs on the Department's *Preliminary Results*.<sup>5</sup>

On December 26, 2012, the Department issued a Post-Preliminary Analysis.<sup>6</sup> At that time, we invited parties to comment on the Department's analysis in addressing the petitioner's targeted dumping allegation in this review.<sup>7</sup> On January 7, 2013, HYSCO, Dongbu, domestic producer Nucor Corporation (Nucor), and U.S. Steel submitted comments on the Department's Post-Preliminary Analysis.<sup>8</sup> On January 17, 2013, HYSCO, Nucor and U.S. Steel submitted rebuttal comments to the Department's Post-Preliminary Analysis.<sup>9</sup>

### Period of Review

The POR covered by this review is August 1, 2010, through July 31, 2011.

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<sup>2</sup> See *id.*, 77 FR at 54893.

<sup>3</sup> See *id.*, 77 FR at 54896.

<sup>4</sup> See Dongbu's, Hausys', Union's and U.S. Steel's comments on the Department's *Preliminary Results*, all dated October 26, 2012.

<sup>5</sup> See Dongbu's, HYSCO's and U.S. Steel's rebuttal comments on the Department's *Preliminary Results*, all dated November 6, 2012.

<sup>6</sup> See the Department's "2010/2011 Review of the Antidumping Duty Orders on Certain Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Post-Preliminary Analysis Memorandum," dated December 26, 2012 ("Post-Preliminary Analysis").

<sup>7</sup> See Post-Preliminary Analysis at 4 and 5.

<sup>8</sup> See HYSCO's, Dongbu's, Nucor's and U.S. Steel's comments on the Department's Post-Preliminary Analysis, all dated January 7, 2013.

<sup>9</sup> See HYSCO's, Nucor's and U.S. Steel's rebuttal comments on the Department's Post-Preliminary Analysis, all dated January 17, 2013.

### Scope of the Order

The order covers flat-rolled carbon steel products, of rectangular shape, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0090, 7210.49.0091, 7210.49.0095, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.1000, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7215.90.1000, 7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, and 7217.90.5090. Included in the order are flat-rolled products of non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process including products which have been beveled or rounded at the edges (i.e., products which have been "worked after rolling"). Excluded from the order are flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead (terne plate), or both chromium and chromium oxides (tin-free steel), whether or not painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating. Also excluded from the order are clad products in straight lengths of 0.1875 inch or more in composite thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness. Also excluded

from the order are certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 millimeters in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20%-60%-20% ratio.

These HTSUS item numbers are provided for convenience and customs purposes. The written descriptions remain dispositive.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties, as well as the comments and rebuttal comments related to the Department's Post-Preliminary Analysis, to this proceeding and to which we have responded are listed in Appendix I to this notice and are addressed in the Issues and Decision Memorandum, dated concurrently with, and hereby adopted by, this notice.<sup>10</sup> The Issues and Decision Memorandum is a public document and is available electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and is available to all parties in the Central Records Unit, located in room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://www.trade.gov/ia/frn/index.html>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

#### Changes from the Preliminary Results and Post-Preliminary Results

Based on our analysis of the comments received from interested parties, we have made the following three changes in calculating Dongbu's weighted-average dumping margin for the final

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<sup>10</sup> See Memorandum from Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, entitled "Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Issues and Decision Memorandum for the Final Results," (Issues and Decision Memorandum) dated concurrently with this notice.

results: (1) we have corrected the allegedly targeted customer code which was inadvertently miscoded in the Post-Preliminary Analysis' Margin Program, and the correct customer code is inputted in the final Margin Program; (2) we have modified the beginning and ending dates, as well as the window period dates, in both the comparison market and margin programs to ensure that all entries in the United States, and the appropriate sales in the home market, are taken into consideration for calculating the final margin; (3) we have used GRSUPR1H as the comparison market gross price variable in the Department's Comparison Market Program for the final results.<sup>11</sup>

We have also allocated HYSCO's reported home market warranty expenses over all sales.<sup>12</sup>

#### Final Results of Review

As a result of this review, we determine that the following weighted-average dumping margins exist for the period August 1, 2010, through July 31, 2011:

<b>Manufacturer/Exporter</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Dongbu	1.26
HYSCO	0.00
Review-Specific Average Rate Applicable to Non-Examined Respondents: <sup>13</sup> Dongkuk, Haewon, Hausys, LG Chem, and Union	1.26

<sup>11</sup> See Issues and Decision Memorandum at Comments 3, 5, and 6. For further details on how the changes were applied in the margin calculation, see Memorandum to the File, from Cindy Robinson, Sr. International Trade Analyst, through Eric Greynolds, Program Manager, entitled "Calculation Memorandum for Dongbu Steel" dated March 7, 2013.

<sup>12</sup> See Issues and Decision Memorandum at Comment 8; Memorandum to the File, from Christopher Hargett, Sr. International Trade Analyst, through Eric Greynolds, Program Manager, "Final Results in the 18th Administrative Review on Corrosion-Resistant Carbon Steel Flat Products from Korea: Calculation Memorandum for Hyundai HYSCO" dated March 7, 2013.

<sup>13</sup> This rate is a weight-average percentage margin (based on the reviewed company with an affirmative dumping margin) for the period August 1, 2009, through July 31, 2010, and does not include zero and *de minimis* rates or any rates based solely upon facts available.

## Disclosure

We will disclose calculation memoranda used in our analysis to parties to these proceedings within five days of the date of publication of this notice.<sup>14</sup>

## Assessment

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.212(b), the Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

For assessment purposes, the Department applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012). For any individually examined respondents whose weighted-average dumping margin is above *de minimis* (i.e., 0.5 percent), we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). We calculated such rates based on the ratio of the total amount of dumping calculated for the examined sales to each importer, to the total entered value of these same sales for which entered value was reported. If an importer-specific assessment rate is zero or below *de minimis*,<sup>15</sup> or exporter has a weighted-average dumping margin that is zero or below *de minimis*, the Department will instruct CBP to assess that importer's entries of subject merchandise without regard to antidumping duties.

For respondents who were not individually examined, the *ad valorem* assessment rate for their associated entries will be equal to the weighted-average dumping margin included in the

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<sup>14</sup> See 19 CFR 351.224(b).

<sup>15</sup> See 19 CFR 351.106(c)(2)

## Final Results of Review

The Department clarified its “automatic assessment” regulation on May 6, 2003.<sup>16</sup> This clarification will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know their merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the country-specific all-others rate established in the less-than-fair-value (LTFV) investigation if there is no rate for the intermediate company(ies) involved in the transaction.

## Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of this notice of final results of the administrative review for all shipments of subject merchandise entered or withdrawn from warehouse, for consumption, on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for the companies subject to this review, the cash deposit rate will be equal to the respective weighted-average dumping margin established in the final results of this review, as listed above; (2) for previously reviewed or investigated companies not listed above that have their own rates, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the manufacturer of the subject merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous completed segment conducted under this proceeding by the Department, the cash deposit

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<sup>16</sup> See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

rate will be 17.70 percent, the all-others rate, established in the LTFV investigation.<sup>17</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent increase in antidumping duties by the amount of antidumping and/or countervailing duties reimbursed.

#### Notification to Interested Parties

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing these results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

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Paul Piquado  
Assistant Secretary  
for Import Administration

March 7, 2013 \_\_\_\_\_  
Date

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<sup>17</sup> See *Antidumping Duty Orders on Certain Cold-Rolled Carbon Steel Flat Products and Certain Corrosion-Resistant Carbon Steel Flat Products from Korea*, 58 FR 44159 (August 19, 1993).



## Appendix I -- Issues in Issues and Decision Memorandum

### **List of Comments**

#### **General Issues**

##### **Comment 1: Targeted Dumping**

- A. Application of Alternative Methodology and Targeted Dumping**
- B. Withdrawal of Targeted Dumping Regulation**
- C. Department's Targeted Dumping Analysis**
- D. Application of the *Nails* Test**
- E. Application of Zeroing**

#### **Company Specific Issues**

##### **I. DONGBU**

**Comment 2: Post-preliminary Analysis Regarding Targeted Time Period**

**Comment 3: Targeted Customer Code**

**Comment 4: Exempted Harbor Usage Fees**

**Comment 5: Date of Sale**

**Comment 6: Comparison Market Gross Unit Price Variable**

##### **II. HYSCO**

**Comment 7: Date of Sale**

**Comment 8: Warranty Expenses**

**Comment 9: Reclassification of Merchandise**

**Comment 10: Classification of Non-Temper Merchandise**

##### **III. UNION**

**Comment 11: Individual Review**

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